

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1207 be amended to read as follows:

- 1 Page 5, between lines 2 and 3, begin a new paragraph and insert: SECTION
- 2 1. IC 6-1.1-18.5-7, AS AMENDED BY P.L.90-
- 3 2002, SECTION 163, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 7. (a) A civil taxing unit is not subject to the levy limits
- 5 imposed by section 3 of this chapter for an ensuing calendar year if the civil taxing
- 6 unit did not adopt an ad valorem property tax levy for the immediately preceding
- 7 calendar year.
- 8 (b) If under subsection (a) a civil taxing unit is not subject to the levy limits
- 9 imposed under section 3 of this chapter for a calendar year, the civil taxing unit
- 10 shall refer its proposed budget, ad valorem property tax levy, and property tax rate
- 11 for that calendar year to the local government tax control board established by
- 12 section 11 of this chapter before the tax levy is advertised. The local government
- 13 tax control board shall then review and make a recommendation to the department
- 14 of local government finance on the civil taxing unit's budget, ad valorem property
- 15 tax levy, and property tax rate for that calendar year. The department of local
- 16 government finance shall make a final determination of the civil taxing unit's
- 17 budget, ad valorem property tax levy, and property tax rate for that calendar year.
- 18 **However, except for a public library district established under 20-**
- 19 **14-2-3.5,** a civil taxing unit may not impose a property tax levy for a year if the
- 20 unit did not exist as of March 1 of the preceding year.
- 21 Page 15, between lines 6 and 7, begin a new paragraph and insert: SECTION
- 22 2. IC 20-14-2-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON
- 23 PASSAGE]: Sec. 3.(a) **Except as otherwise allowed under section 3.5**

1 **of this chapter**, the legislative body of a municipality, township, county, or part
2 of a county, any of which is not already taxed for public library purposes, that has:

- 3 (1) a population of at least ten thousand (10,000); or
- 4 (2) an assessed valuation that is at least as high as:
 - 5 (A) the median of the most recent certified assessed valuation of the
 - 6 ten (10) library taxing districts closest in population to ten thousand
 - 7 (10,000), **if the action under subsection (b) or section**
 - 8 **3.5(b) of this chapter is initiated before April 1, 2004; or**
 - 9 **(B) the lowest of the most recent certified assessed**
 - 10 **valuations determined for the ten (10) library taxing**
 - 11 **districts closest in population to ten thousand (10,000),**
 - 12 **if the action under subsection (b) or section 3.5(b) of**
 - 13 **this chapter is initiated after March 31, 2004;**

14 **may establish a public library for the residents of that**
15 **municipality, township, county, or part of the county under the**
16 **procedures set forth in this section.**

- 17 (b) The establishment of the public library may be initiated either by:
 - 18 (1) the legislative body passing a written resolution; or
 - 19 (2) the filing of a petition with the legislative body that has been signed by
 - 20 at least twenty percent (20%) of the registered voters of the municipality,
 - 21 township, county, or part of a county, as determined by the last preceding
 - 22 general election.
- 23 (c) If a petition is filed under subsection (b)(2), then within ten (10) days after
- 24 the filing, the municipality, township, county, or part of a county shall give notice
- 25 of the filing of the petition in two (2) newspapers of general circulation in the
- 26 county, one (1) of which is published in the municipality where the library is to be
- 27 located, if a newspaper is published in the municipality.
- 28 (d) Within ten (10) days after the publication of the petition, any registered
- 29 voter in the municipality, township, county, or part of a county where the public
- 30 library is proposed to be established may file with the respective municipality,
- 31 township, or county a remonstrance that:
 - 32 (1) is signed by registered voters in the municipality, township, county, or
 - 33 part of the county where the public library is proposed to be established;
 - 34 and
 - 35 (2) states that those registered voters who have signed the remonstrance
 - 36 are opposed to the establishment of the public library.
- 37 (e) The following apply to a petition that is filed under subsection (b)(2) or a
- 38 remonstrance that is filed under subsection (d):
 - 39 (1) The petition or remonstrance must show the following:
 - 40 (A) The date on which each person signed the petition or
 - 41 remonstrance.
 - 42 (B) The residence of each person on the date the person signed the
 - 43 petition or remonstrance.
 - 44 (2) The petition or remonstrance must include an affidavit of the person
 - 45 circulating the petition or remonstrance stating that each signature on the
 - 46 petition or remonstrance:
 - 47 (A) was affixed in the person's presence; and
 - 48 (B) is the true signature of the person who signed the petition or
 - 49 remonstrance.
 - 50 (3) Several copies of the petition or remonstrance may be executed. The

total of the copies constitute a petition or remonstrance. A copy must include an affidavit as described in subdivision (2). Any signer may file the petition, remonstrance, or any copy. All copies constituting a petition or remonstrance must be filed on the same day.

(4) The clerk of the circuit court in the county where the municipality, township, county, or part of a county where the public library that is proposed to be established is located shall do the following:

(A) If a name appears more than one (1) time on a petition or on a remonstrance, the clerk shall strike any duplicates of the name until the name appears only one (1) time on a petition or a remonstrance, or both (if the person signed both a petition and a remonstrance).

(B) Strike the name from either the petition or the remonstrance of a person who:

(i) signed both the petition and the remonstrance; and

(ii) personally, in the clerk's office, makes a voluntary written and signed request for the clerk to strike the person's name from the petition or the remonstrance.

(C) Not more than fifteen (15) days after a petition or remonstrance is filed, certify the number of signatures on the petition or remonstrance that:

(i) are not duplicates; and

(ii) represent persons who are registered voters in the municipality, township, county, or part of a county where the public library is proposed to be established, on the day the persons signed the petition or remonstrance.

(D) Establish a record of the clerk's certification in the clerk's office and file the original petition, the original remonstrance, if any, and a copy of the clerk's certification with the legislative body of the municipality, township, or county.

The clerk of the circuit court may only strike a person's name from a petition or a remonstrance as set forth in clauses (A) and (B).

(f) At its first meeting, held at least ten (10) days after the publication of the petition, the legislative body shall compare the petition and any remonstrance. When a remonstrance has not been filed or a greater number of voters have signed the petition than have signed the remonstrance against the establishment of the public library, the legislative body shall establish by written resolution the public library with a library district coextensive with the boundaries of the unit or part of a county, whichever is applicable. The establishment of the public library is effective as of the date the written resolution is passed. The legislative body shall file a copy of the resolution within five (5) days:

(1) with the office of the county recorder in the county where the administrative office of the public library is located; and

(2) with the Indiana state library.

(g) The legislative body shall give notice to all officials who have the power to appoint members of the library board for the new public library under IC 20-14-2.5-4, and these officials shall appoint the library board for the new public library under IC 20-14-2.5-4 as soon as possible after their notification.

(h) When an equal or greater number of registered voters have signed a remonstrance against the establishment of the public library than the number who

1 have signed the petition in favor of the establishment of the public library, then the
 2 legislative body shall dismiss the petition. Another petition to establish a public
 3 library may not be initiated until one (1) year after the date the legislative body
 4 dismissed the latest unsuccessful petition.

5 SECTION 3. IC 20-14-2-3.5 IS ADDED TO THE INDIANA CODE AS A
 6 NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

7 **Sec. 3.5. (a) A town and a township that:**

8 (1) are the only participants in a library services authority
 9 established under IC 20-14-8 before April 1, 2004;

10 (2) independently or together meet the requirements of
 11 section 3(a) of this chapter; and

12 (3) propose to convert the library services authority to a
 13 Class 1 library district;

14 may use the procedures under this section to establish a public
 15 library for the residents of the town and township.

16 (b) If a town and township to which this section applies
 17 propose to convert a library services authority to a Class 1 public
 18 library district, the town council of the town and the township
 19 trustee and township board of the township shall hold a public
 20 hearing on the proposed conversion. At least thirty (30) days
 21 before the hearing, public notice shall be given in a newspaper of
 22 general circulation in the county in which the administrative office
 23 of the library services authority is located.

24 (c) Not later than thirty (30) days after the hearing under
 25 subsection (b), any registered voter in the town or township may
 26 file with the respective town council, township trustee, or township
 27 board a remonstrance that:

28 (1) is signed by registered voters in the town or township;
 29 and

30 (2) states that the registered voters who have signed the
 31 remonstrance are opposed to the establishment of the public
 32 library.

33 (d) The following apply to a remonstrance that is filed under
 34 subsection (c):

35 (1) The remonstrance must show the following:

36 (A) The date on which each person signed the
 37 remonstrance.

38 (B) The residence address of each person on the date
 39 the person signed the remonstrance.

40 (2) The remonstrance must include an affidavit of the
 41 person circulating the remonstrance stating that each
 42 signature on the remonstrance:

43 (A) was affixed in the person's presence; and

44 (B) is the true signature of the person who signed the
 45 remonstrance.

46 (3) Several copies of the remonstrance may be executed.

1 The total of the copies constitute a remonstrance. A copy
 2 must include an affidavit as described in subdivision (2).
 3 Any person who signs the remonstrance or any copy may
 4 file the remonstrance or any copy. All copies constituting a
 5 remonstrance must be filed on the same day.

6 (4) The clerk of the circuit court in the county in which the
 7 administrative office of the library services authority is
 8 located shall do the following:

9 (A) If a name appears more than one (1) time on a
 10 remonstrance, the clerk shall strike any duplicates of
 11 the name until the name appears only one (1) time on
 12 the remonstrance.

13 (B) Not more than fifteen (15) days after a
 14 remonstrance is filed, certify the number of signatures
 15 on the remonstrance that:

16 (i) are not duplicates; and

17 (ii) represent persons who are registered voters in
 18 the town or township, on the date on which the
 19 persons signed the remonstrance.

20 (C) Establish a record of the clerk's certification in the
 21 clerk's office and file the original remonstrance, if any,
 22 and a copy of the clerk's certification with the town
 23 council, township trustee, and township board.

24 The clerk of the circuit court may only strike a person's
 25 name from a remonstrance as set forth in clause (A).

26 (e) If a remonstrance is filed, the town council, township
 27 trustee, and township board shall review the remonstrance.

28 (f) If a remonstrance has not been filed or after the
 29 remonstrances have been reviewed, the town and township may
 30 convert the library services authority to a Class 1 library district
 31 if the board of directors of the library services authority passes
 32 the following resolution of conversion:

33 “_____ Library Services Authority, by action of its
 34 board of directors, resolves to convert to a Class 1 library
 35 district subject to IC 20-14-2 and IC 20-14-2.5.”.

36 The resolution of conversion must describe the territory included
 37 in the library district.

38 (g) The resolution of conversion must be signed by a majority
 39 of the board of directors of the library services authority. Not later
 40 than five (5) days after the resolution is adopted, the board of
 41 directors shall file a copy of the resolution:

42 (1) in the office of the county recorder in the county in
 43 which the administrative office of the library services
 44 authority is located; and

45 (2) with the Indiana state library.

46 (h) The board of directors of the library services authority

shall give notice of the conversion to all officials who have appointive powers under IC 20-14-2.5. The officials shall appoint a library board for the public library district, subject to IC 20-14-2.5-10.5. Members of the board of directors of the library services authority being converted:

(1) continue to serve as library board members until a majority of the new library board has been appointed and the new appointees have taken an oath of office to serve on the board; and

(2) may serve as members on the new library board if appointed by an appointing authority under IC 20-14-2.5-10.5.

(i) A conversion under this section is effective upon:

(1) the filing of the resolution under subsection (g);

(2) the appointment of the new library board under IC 20-14-2.5; and

(3) the taking of the oath of office by the new library board under IC 20-14-2.5-13.

(j) The budget adopted by the library services authority, under IC 20-14-9-8 and in effect at the time of the conversion, remains in effect and is renewed for the new library district until a budget, tax levy, and tax rate are finally adopted and fixed in accordance with the procedures for Class 1 libraries under IC 20-14-3-10. Subject to subsection (l), if the conversion is effective under subsection (i) before September 1 of a year, the new library board shall adopt a budget and fix a tax levy and tax rate for the ensuing budget year under IC 20-14-3-10. If:

(1) the conversion is effective under subsection (i) after August 31 of a year; or

(2) the new library board fails to:

(A) give the notices required under IC 20-14-3-10(b) and subsection (k); or

(B) finally adopt the budget and fix the tax levy and tax rate not later than September 20;

the most recent annual appropriations, and the budget adopted by the library services authority, under IC 20-14-9-8 and in effect at the time of the conversion, are renewed for the new library district in the ensuing calendar year.

(k) This subsection first applies in the first year in which the library board adopts a budget and fixes a tax rate and tax levy under IC 20-14-3-10. Each year, in addition to:

(1) providing the published notices to taxpayers required under IC 20-14-3-10(b); and

(2) holding the hearing required under IC 6-1.1-17-3;

the library board shall give mailed notice of the proposed budget and property tax levy to the town council, the township trustee,

and the town board at least ten (10) days before the public hearing required under IC 6-1.1-17-3. The town council, township trustee, and township board may submit comments to the library board concerning the proposed budget and property tax levy before the final adoption of the budget and property tax levy by the library board.

(l) This subsection applies in the first year in which the library board adopts a budget and fixes a tax rate and tax levy under IC 20-14-3-10 for the ensuing calendar year. The library district's maximum permissible ad valorem property tax levy for the ensuing calendar year equals the amount determined in STEP FOUR of the following STEPS:

STEP ONE: Determine the product of:

(A) the total amount of:

- (i) the town's pro rata share of the budget adopted by the library services authority under IC 20-14-9-8 and in effect for the current calendar year; plus
- (ii) the township's pro rata share of the budget adopted by the library services authority under IC 20-14-9-8 and in effect for the current calendar year; multiplied by

(B) the assessed value growth quotient for the library district for the ensuing calendar year, as determined under IC 6-1.1-18.5-2.

STEP TWO: Determine the lesser of:

(A) one and fifteenth hundredths (1.15); or

(B) the quotient (rounded to the nearest ten-thousandth (0.0001)) of:

- (i) the assessed value of all taxable property subject to the library district's ad valorem property tax levy for the ensuing calendar year; divided by
- (ii) the assessed value of all taxable property that is subject to the library district's ad valorem property tax levy for the ensuing calendar year and that is contained within the geographic area that was subject to the township's ad valorem property tax levy in the preceding calendar year or the town's ad valorem property tax levy in the preceding calendar year or subject to both the town's and the township's ad valorem property tax levy in the preceding calendar year.

STEP THREE: Determine the greater of the amount determined in STEP TWO or one (1).

STEP FOUR: Multiply the amount determined in STEP ONE by the amount determined in STEP THREE.

The library district's maximum ad valorem property tax levy for

1 any year following the first calendar year for which the library
 2 board fixes a budget, tax rate, and tax levy under IC 20-14-3-10,
 3 shall be determined under IC 6-1.1-18.5.

4 (m) This subsection applies in the first year in which the
 5 library board adopts a budget and fixes a tax rate and tax levy
 6 under IC 20-14-3-10 for the ensuing calendar year. The town's
 7 maximum permissible ad valorem property tax levy for the
 8 ensuing calendar year shall be reduced by the product of:

9 (1) the maximum permissible ad valorem property tax levy
 10 for the library district for the ensuing calendar year, as
 11 determined under STEP FOUR of subsection (l); multiplied
 12 by

13 (2) the quotient of:

14 (A) the town's pro rata share of the budget adopted by
 15 the library services authority under IC 20-14-9-8 and in
 16 effect for the current calendar year; divided by

17 (B) the total budget adopted by the library services
 18 authority under IC 20-14-9-8 and in effect for the
 19 current calendar year.

20 (n) This subsection applies in the first year in which the
 21 library board adopts a budget and fixes a tax rate and tax levy
 22 under IC 20-14-3-10 for the ensuing calendar year. The township's
 23 maximum permissible ad valorem property tax levy for the
 24 ensuing calendar year shall be reduced by the product of:

25 (1) the maximum permissible ad valorem property tax levy
 26 for the library district for the ensuing calendar year, as
 27 determined under STEP FOUR of subsection (l); multiplied
 28 by

29 (2) the quotient of:

30 (A) the township's pro rata share of the budget adopted
 31 by the library services authority under IC 20-14-9-8 and
 32 in effect for the current calendar year; divided by

33 (B) the total budget adopted by the library services
 34 authority under IC 20-14-9-8 and in effect for the
 35 current calendar year.

36 SECTION 4. IC 20-14-2.5-4, AS AMENDED BY P.L.50-2000, SECTION
 37 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:
 38 Sec. 4. Except as provided in section 9.5 of this chapter, and subject to ~~section~~
 39 **sections 10 and 10.5** of this chapter, seven (7) members of a library board shall
 40 be appointed as follows:

41 (1) One (1) member appointed by the executive of the county in which the
 42 library district is located, or if the district is located in more than one (1)
 43 county, jointly by the executives of the respective counties.

44 (2) One (1) member appointed by the fiscal body of the county in which the
 45 library district is located, or if the district is located in more than one (1)
 46 county, jointly by the fiscal bodies of the respective counties.

47 (3) Three (3) members appointed by the school board of the school

corporation serving the library district. However, if there is more than one
(1) school corporation serving the library district:

(A) two (2) members shall be appointed by the school board of the
school corporation in which the principal offices of the public library
are located; and

(B) one (1) member shall be appointed by a majority vote of the
presidents of the school boards of the other school corporations.

(4) One (1) member appointed under section 5(1), 6(b)(1), 7(1), 8(1), or
9(1), of this chapter, as applicable.

(5) One (1) member appointed under section 5(2), 6(b)(2), 7(2), 8(2), or
9(2) of this chapter, as applicable.

SECTION 5. IC 20-14-2.5-10.5 IS ADDED TO THE INDIANA CODE AS
A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON
PASSAGE]: **Sec. 10.5. (a) This section applies to the appointment of
members to a library board of a library district that is established
by the conversion of a library services authority under IC 20-14-2-
3.5.**

**(b) In its notice of conversion to all officials who have
appointive powers under this chapter, as required by IC 20-14-2-
3.5(h), the board of directors of the library services authority
being converted may recommend for appointment to the new
library board:**

**(1) one (1) or more members of the board of directors of the
library services authority; or**

(2) one (1) or more other persons;

**if, in the opinion of the board of directors, the board member
or other person recommended is qualified and will serve the
interests of the new library district.**

**(c) In making an appointment to the new library board, an
appointing authority shall follow any recommendation received
under subsection (b) if the appointing authority agrees that the
board member or other person recommended is qualified and will
serve the interests of the new library district.**

**(d) If a member of the board of directors of the library
services authority is appointed to the board of the new library
district, the member's service on the board of directors of the
library services authority may not be considered in determining
the number of consecutive terms the member may serve on the
library board for the new library district under IC 20-14-2.5-3.**

SECTION 6. IC 20-14-8-6 IS AMENDED TO READ AS FOLLOWS
[EFFECTIVE UPON PASSAGE]: **Sec. 6. (a) Any qualified entity that is a
participant in the library services authority may withdraw from the authority by any
recorded act of that qualified entity:**

**(1) after it has made provisions for the payment and performance of its
obligations; and**

**(2) upon notification to the library services authority, six (6) months before
the end of the fiscal year in which it is participating in the library services**

authority, that it is discontinuing its participation in the library services authority.

(b) Upon discontinuing participation in the library services authority, the discontinuing qualified entity relinquishes its rights to any funds, supplies, materials, equipment, or other real or personal property held by or belonging to the authority and in which the qualified entity had a right by virtue of its participation, unless provision to the contrary is made by the official action of the board of directors.

(c) Upon the receipt of notification to discontinue participation and the satisfaction of all obligations by the withdrawing participant, the board of directors shall officially note the withdrawal and shall file notice of the resulting change in the joint agreement:

(1) in the office of the recorder of the county in which the authority's principal place of business is located; and

(2) with the Indiana state library.

(d) The library services authority is dissolved when:

(1) the board of directors of the authority votes to dissolve it;

(2) such action is de facto by the notice of discontinuance of participation by the next to last remaining participant; or

(3) there is an excessive number of private qualified entities participating in the authority; or

(4) the library services authority is converted to a Class 1 library district under IC 20-14-2-3.5.

Upon the occurrence of any of these conditions, the board of directors shall dispose of the assets by division among the participants at the time of dissolution and in the proportion and in the manner determined by the board of directors.

However, if dissolution occurs under subdivision (4), the assets of the library services authority become the assets of the new Class 1 library district.

(e) The dissolution does not take effect until all legal and fiscal obligations of the library services authority have been satisfied and an official record of the dissolution is filed in the office of the recorder of the county in which the authority's principal place of business is located. Until such satisfaction of obligations has occurred and the record of dissolution has been filed, the final members of the authority shall continue to be members. **In the case of a dissolution described in subsection (d)(4), the resolution of conversion required under IC 20-14-2-3.5 serves as the record of dissolution, and the dissolution of the library services authority takes effect on the date the conversion is effective under IC 20-14-2-3.5(i).**

Renumber all SECTIONS consecutively.

(Reference is to HB 1207 as printed January 27, 2004.)

Representative RUPPEL